



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Accept the Quarterly Investment Account report as required by law SB 564

MEETING DATE: August 4, 2004

PREPARED BY: Finance Director/Treasurer

RECOMMENDED ACTION: That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB 564.

BACKGROUND INFORMATION: The investment report is currently included in the monthly executive report distributed to Council. SB 564 required local agency treasurers to submit a report on investments at a public meeting. The City of Lodi has an investment policy, which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None


James Krueger, Finance Director/Treasurer

JK/mmc
Attachments

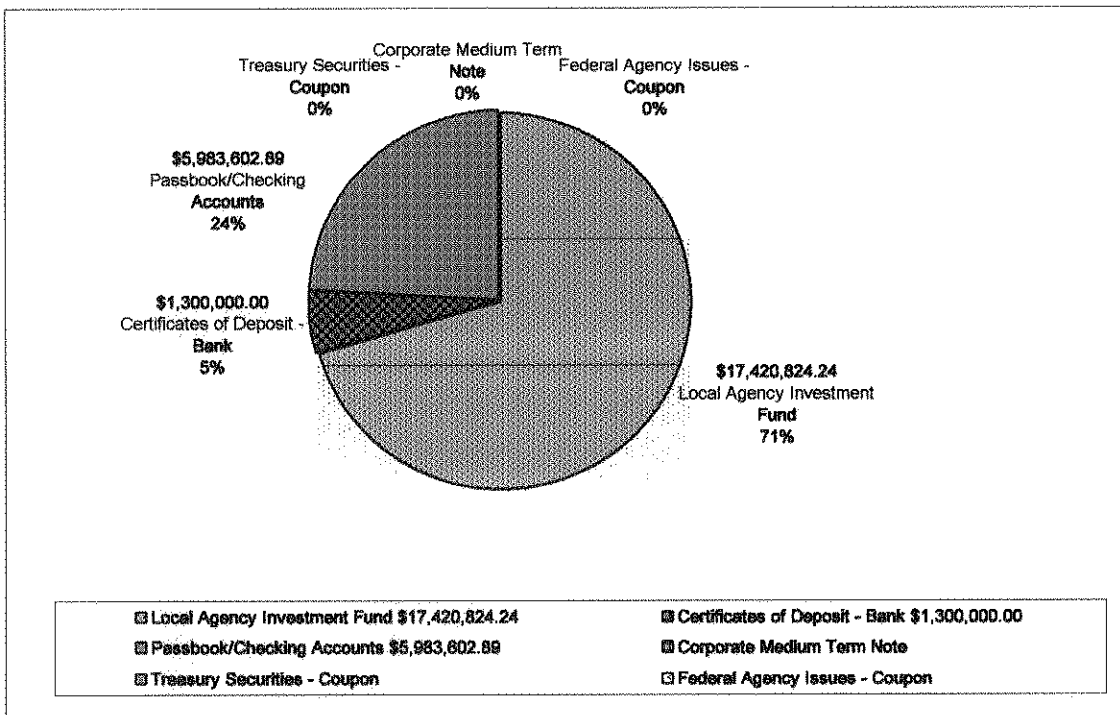
APPROVED:


H. Dixon Flynn, City Manager

BREAKDOWN OF TREASURY INVENTORY BY TYPE

June 30, 2004

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$17,420,824.24	70.517014%	Indefinite
Certificates of Deposit - Bank	\$1,300,000.00	5.262215%	5 years
Passbook/Checking Accounts	\$5,983,602.89	24.220772%	Indefinite
Corporate Medium Term Note		0.000000%	5 years
Treasury Securities - Coupon		0.000000%	5 years
Federal Agency Issues - Coupon		0.000000%	5 years
	<u>\$24,704,427.13</u>	<u>100.00%</u>	





City of Lodi
Portfolio Management
Portfolio Summary
June 30, 2004

City of Lodi
 212 W. Pine St.
 Lodi, CA 95240
 (209)333-6800

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	17,420,824.24	17,420,824.24	17,420,824.24	70.52	1	1	1.430	1.450
Certificates of Deposit - Bank	1,300,000.00	1,300,000.00	1,300,000.00	5.26	209	125	1.022	1.036
Passbook/Checking Accounts	5,983,602.89	5,983,602.89	5,983,602.89	24.22	1	1	0.000	0.000
Investments	24,704,427.13	24,704,427.13	24,704,427.13	100.00%	12	8	1.062	1.077
Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending					
Current Year	22,200.67	266,845.74	266,845.74					
Average Daily Balance	24,339,045.55	22,322,028.28						
Effective Rate of Return	1.11%	1.19%						

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next six months. Union Bank of California is the source of market valuation.

M. Maxine Cadwallader 7-12-04
 Marcella Maxine Cadwallader, Revenue Manager/Deputy Treas.

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City of Lodi
Portfolio Management
Portfolio Details - Investments
June 30, 2004

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
Local Agency Investment Funds												
LAIF	1000	Local Agency Invest. Fund			16,614,287.36	16,614,287.36	16,614,287.36	1.450		1.430	1	
LPIC	1001	Local Agency Inv Fund (LPIC)			806,536.88	806,536.88	806,536.88	1.450		1.430	1	
		Subtotal and Average	17,420,824.24		17,420,824.24	17,420,824.24	17,420,824.24			1.430	1	
Certificates of Deposit - Bank												
SYS72WEST	72	Bank of the West		04/17/2004	100,000.00	100,000.00	100,000.00	1.090		1.090	290	04/17/2005
SYS68BA	68	Bank of America		12/17/2003	100,000.00	100,000.00	100,000.00	1.050		1.050	169	12/17/2004
SYS73FM	73	Farmers and Merchants Bank		04/20/2004	1,000,000.00	1,000,000.00	1,000,000.00	1.000		1.000	108	10/17/2004
SYS70LODI	70	Bank of Lodi		03/26/2004	100,000.00	100,000.00	100,000.00	1.140		1.140	83	09/22/2004
		Subtotal and Average	1,300,000.00		1,300,000.00	1,300,000.00	1,300,000.00			1.022	125	
Passbook/Checking Accounts												
BACK	4003	Bank of America		07/01/2003	202,724.60	202,724.60	202,724.60			0.000	1	
SYS4000	4000	Farmers & Merchants			5,780,878.29	5,780,878.29	5,780,878.29			0.000	1	
		Subtotal and Average	5,618,221.31		5,983,602.89	5,983,602.89	5,983,602.89			0.000	1	
		Total and Average	24,339,045.55		24,704,427.13	24,704,427.13	24,704,427.13			1.062	8	

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City of Lodi
Portfolio Management
Activity By Type
June 1, 2004 through June 30, 2004

Page 3

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Local Agency Investment Funds (Monthly Summary)							
							17,420,824.24
		Subtotal					
Certificates of Deposit - Bank							
							1,300,000.00
		Subtotal					
Passbook/Checking Accounts (Monthly Summary)							
BACK	4003	Bank of America			317,522.91	0.00	
SYS4000	4000	Farmers & Merchants			11,955,808.86	11,895,350.83	
		Subtotal			12,273,331.77	11,895,350.83	5,983,602.89
		Total			12,273,331.77	11,895,350.83	24,704,427.13

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City of Lodi
Portfolio Management
Activity Summary
June 2003 through June 2004

Page 4

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
June	2003	8	16,686,213.39	1.509	1.529	1.980	0	0	17	11
July	2003	8	20,920,950.24	1.339	1.358	1.770	1	0	14	7
August	2003	8	21,377,916.21	1.311	1.329	1.770	0	0	14	5
September	2003	8	21,502,647.06	1.299	1.317	1.770	1	1	14	4
October	2003	8	21,612,020.75	1.185	1.202	1.630	1	1	13	11
November	2003	8	20,675,513.99	1.239	1.256	1.630	0	0	14	9
December	2003	8	18,486,744.43	1.188	1.205	1.630	1	1	16	10
January	2004	8	24,505,234.71	1.126	1.141	1.530	0	0	12	6
February	2004	8	25,233,805.42	1.093	1.108	1.530	0	0	12	4
March	2004	8	24,182,796.48	1.141	1.156	1.530	1	1	12	4
April	2004	8	22,736,185.55	1.211	1.227	1.530	2	2	13	12
May	2004	8	24,749,985.76	1.077	1.092	1.474	0	0	12	9
June	2004	8	24,704,427.13	1.062	1.077	1.450	0	0	12	8
Average		8	22,105,726.24	1.214%	1.231%	1.633	1	0	13	8

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City of Lodi
Portfolio Management
Distribution of Investments By Type
June 2003 through June 2004

Page 5

Security Type	June 2003	July 2003	August 2003	September 2003	October 2003	November 2003	December 2003	January 2004	February 2004	March 2004	April 2004	May 2004	June 2004	Average by Period
Local Agency Investment Funds	71.6	71.7	70.2	69.7	69.7	72.8	69.2	70.8	68.8	71.8	76.4	70.4	70.5	71.1%
Certificates of Deposit - Bank	7.8	6.2	6.1	6.1	6.0	6.3	7.0	5.3	5.2	5.4	5.7	5.3	5.3	6.0%
Certificates of Deposit - S & L														
Passbook/Checking Accounts	20.6	22.1	23.8	24.2	24.3	20.9	23.7	23.9	26.1	22.8	17.9	24.4	24.2	23.0%
Corporate Medium Term Note														
Commercial Paper - Interest Bearing														
Repurchase Agreements														
Federal Agency Issues - Coupon														
Treasury Securities - Coupon														
Mortgage Backed Securities														
Bankers Acceptances -Amortizing														
Commercial Paper Disc. -Amortizing														
Federal Agency Disc. -Amortizing														
Treasury Discounts -Amortizing														
Miscellaneous Discounts -Amortizing														

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City of Lodi
Portfolio Management
Interest Earnings Summary
June 30, 2004

Page 6

June 30 Month Ending

Fiscal Year To Date

CD/Coupon/Discount Investments:

Interest Collected	271.78	16,278.56
Plus Accrued Interest at End of Period	2,080.60	2,080.60
Less Accrued Interest at Beginning of Period	(1,245.71)	(2,959.74)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	1,106.67	15,399.42
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	1,106.67	15,399.42

Pass Through Securities:

Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00

Cash/Checking Accounts:

Interest Collected	0.00	229,494.51
Plus Accrued Interest at End of Period	69,605.14	69,605.14
Less Accrued Interest at Beginning of Period	(48,511.14)	(47,653.33)
Interest Earned during Period	21,094.00	251,446.32

Total Interest Earned during Period	22,200.67	266,845.74
Total Adjustments from Premiums and Discounts	0.00	0.00
Total Capital Gains or Losses	0.00	0.00

Total Earnings during Period	22,200.67	266,845.74
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**PHIL ANGELIDES
TREASURER
STATE OF CALIFORNIA**

**INVESTMENT DIVISION SELECTED INVESTMENT DATA
ANALYSIS OF THE POOLED MONEY INVESTMENT ACCOUNT PORTFOLIO
(000 OMITTED)**

March 31, 2004

<u>TYPE OF SECURITY</u>	AMOUNT	PERCENT	PERCENTAGE CHANGE FROM PRIOR MONTH
Government			
Bills	\$ 1,094,783	2.11	-0.11
Bonds	0	0	0
Notes	6,147,707	11.84	-0.77
Strips	0	0	0
Total Governments	\$ 7,242,490	13.95	-0.88
Federal Agency Coupons	\$ 3,915,362	7.54	+0.29
Certificate of Deposits	7,935,044	15.29	+1.79
Bank Notes	808,635	1.56	-0.13
Bankers' Acceptances	0	0	0
Repurchases	0	0	-0.18
Federal Agency Discount Notes	9,165,817	17.66	+0.33
Time Deposits	5,881,295	11.33	+0.49
GNMAs	492	0	0
Commerical Paper	8,016,691	15.45	-3.54
FHLMC	3,567	0.01	0
Corporate Bonds	1,791,202	3.46	+0.09
Pooled Loans	6,208,431	11.96	+0.90
GF Loans	928,500	1.79	+0.84
Reversed Repurchases	0	0	0
Total (All Types)	\$ 51,897,526	100.00	

⌘ Average Life of Portfolio as of March 31, 2004 is 159 Days

State of California
Pooled Money Investment Account
Market Valuation
03/31/04

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 1,094,783,138.88	\$ 1,097,506,732.29	\$ 1,097,531,000.00	NA
Notes	\$ 6,147,706,685.12	\$ 6,147,706,685.12	\$ 6,159,525,750.00	\$ 75,275,049.50
Federal Agency:				
SBA	\$ 523,368,506.43	\$ 523,339,690.25	\$ 518,045,303.71	\$ 1,208,431.29
MBS	\$ 453,547,512.20	\$ 453,547,512.20	\$ 449,605,759.16	\$ 2,060,367.82
Bonds	\$ 2,938,446,444.80	\$ 2,938,446,444.80	\$ 2,959,798,872.30	\$ 31,703,535.24
Floater	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 9,165,816,591.54	\$ 9,202,507,743.41	\$ 9,204,298,561.30	NA
FHLMC PC	\$ 3,566,661.69	\$ 3,566,661.69	\$ 3,901,259.99	\$ 57,381.24
GNMA	\$ 492,350.06	\$ 492,350.06	\$ 566,805.96	\$ 4,869.69
Bankers Acceptances	\$ -	\$ -	\$ -	NA
Bank Notes	\$ 808,635,419.39	\$ 808,585,019.83	\$ 808,619,864.32	\$ 1,496,054.66
CDs	\$ 7,935,044,108.97	\$ 7,935,044,108.97	\$ 7,935,314,634.75	\$ 15,789,948.60
Commercial Paper	\$ 8,016,691,420.90	\$ 8,029,748,324.49	\$ 8,030,273,841.11	NA
Corporate:				
Floater	\$ 79,992,220.34	\$ 79,992,220.34	\$ 80,004,500.00	\$ 38,125.00
Bonds	\$ 1,711,208,851.63	\$ 1,711,208,851.63	\$ 1,723,408,938.24	\$ 27,034,267.50
Repurchase Agreements	\$ -	\$ -	\$ -	NA
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 5,881,295,000.00	\$ 5,881,295,000.00	\$ 5,881,295,000.00	NA
AB 55 & GF Loans	\$ 7,136,931,359.54	\$ 7,136,931,359.54	\$ 7,136,931,359.54	NA
TOTAL	\$ 51,897,526,271.49	\$ 51,949,918,704.62	\$ 51,989,121,450.38	\$ 154,668,030.54

Fair Value Including Accrued Interest

\$ 52,143,789,480.92

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.000754626).
As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,015,092.51 or \$20,000,000.00 x 1.000754626